

bare 10.8 per cent of the total budgetted expenditure of Rs. 101.47 lakhs. These figures should give a clear idea of the enormous power vested in the House under the new Act in the control of the State Exchequer.

7. The Budget Heads closely follow the list of the previous years but where certain branches of a department are under the control of the Hon'ble the Minister for Rural Development while the others are under the care of the Reserved Department that Budget Head has been split into 'Reserved' and 'Transferred'. The Industries budget is an instance of this kind. The Government Industrial Schools are placed in the charge of the Hon'ble the Minister while the Trades Schools at Ernakulam and Trichur and the staff for Direction and Inspection of the Industries Department function under the Reserved group.

#### ACTUALS OF THE YEAR 1952.

8. After making these general observations I propose now to discuss the details of the Estimates placed before you. First I would take up the receipts and expenditure of the year 1952 for which we have now complete audited figures.

9. The receipts of the year 1952 amounted to Rs. 101.02 lakhs as against the Revised Estimate figures of Rs. 99.88 lakhs. The expenditure for last year came to Rs. 102.17 lakhs as against the Revised Estimate under disbursements amounting to Rs. 103.41 lakhs. The net result of the transactions was that against the anticipated deficit of Rs. 3.53 lakhs according to the Revised Estimates of last year the actual deficit at the end of the year came to only Rs. 1.15 lakhs. This is a feature about which we might feel happy and it was largely due to the severe vigilance with which expenditure was checked at every stage.

10. Before ending the discussion of the accounts of 1952 I might also point out that in spite of the small deficit of Rs. 1.15 lakhs in the last year's accounts the total assets of the State over its liabilities stood at the high figure of Rs. 106.21 lakhs.

#### REVISED ESTIMATE OF THE CURRENT YEAR.

11. Last year at this time my predecessor anticipated a surplus of Rs. 1.81 lakhs in the Budget of the current year. The Revised Estimates of the current year based on the actuals of the first seven months and the probable income and expenditure of the remaining five

months shows a deficit of Rs. 2.71 lakhs. This is largely the result of a drop of over Rs. 6.53 lakhs in the customs revenue of this year. The reasons for this fall have been fully explained in the Hon'ble the Diwan President's opening speech and it should be to the satisfaction of every one in this House that in spite of the cause for the fall continuing, methods have been found to avert it in the future years.

12. Taking up the details of Revised Estimate figures besides the drop of Rs. 6.53 lakhs in Customs there was a fall of Rs. 1.3 lakhs under Railway, a little less than half a lakh of rupees under Interest, about a quarter of a lakh of rupees under Salt and about Rs. 10,000 under Stamps. The fall in the gross earnings of the Railway is due to the fall in the volume of traffic. The reduction in the income from the duty on Salt and also Stamps should largely be due to the persistent pressure of the Economic Depression. The fall of about half a lakh under Interest is because funds have been withdrawn from short-term investments for the purpose of financing the large capital expenditure schemes of the State. Between these several heads there has been on the whole a drop of Rs. 8.86 lakhs. This was very much retrieved by the rise of Rs. 3.05 lakhs in Income-tax and Rs. 3.35 lakhs in Profits from Capital Outlay excluding the Railway. Also there was a slight increase of about Rs. 10,200 under Public Works receipts and Rs. 14,000 under Public Health receipts. The very large increase in the Income-tax expectations of the current year is due to the assessment of certain incomes for the years 1111 and 1112 in this year. The excess of Rs. 3.35 lakhs shown under Profits from Capital Outlay is on account of the Royalty on a portion of the reclamation lands sold to the Port Authorities.

13. The net result of the variations under Receipts is that compared to the Budget Estimates for the current year the Revised Estimates show a fall of Rs. 1.94 lakhs.

14. On the expenditure side the budgetted figures for 1113 which stood at Rs. 98.77 lakhs is expected to rise to Rs. 101.35 lakhs in the Revised Estimate. This rise of over Rs. 2.58 lakhs is accounted for mainly by additional expenditure of about Rs. 1.23 lakhs under Public Works, an increase of Rs. 33,200 under Pension and Gratuity charges, an increase of Rs. 42,900 under Miscellaneous and an increase of Rs. 9,800 and Rs. 16,200 under Public Health and Interest charges. The increased expenditure under Public Works is on account of the additional allotments sanctioned for the works of the Guest House at Ernakulam and the Training

Institution buildings at Ramavarmapuram. The increase of Rs. 33,200 under Pension and Gratuity is not on account of any abnormal charges under that head. On the other hand, it represents only the actual amount that would be additionally required to meet the recurring demands under this budget head.

15. Under Medical there is expected to be a fall of about Rs. 20,000 on the expenditure side. This is because the entire amount allotted for the starting of Radium treatment in the General Hospital may not be fully utilised in the current year. It is re-provided in the next year's budget.

16. The net result of the variations in expenditure is that the Revised Estimate shows an excess of Rs. 2.58 lakhs over the budgetted figure.

17. Ultimately according to the Revised Estimate calculations the year is expected to close with a deficit of Rs. 2.71 lakhs. Considering the general financial position of the State and its available cash surpluses this deficit of Rs. 2.71 lakhs is not anything noticeable. This is clear from the fact that at the end of this year the surplus of the assets of the State over its liabilities is expected to come up to over Rs. 103 lakhs.

#### BUDGET ESTIMATES OF 1114.

18. Coming to the most important set of the figures before the House, I mean the Budget Estimate figures of next year, I am glad to announce that the transactions under the several ordinary heads of receipts and expenditure, are sure to close with a large substantial surplus of over Rs. 3 lakhs. To be exact it is expected that the next year will close with a surplus of Rs. 3.40 lakhs.

19. The total expenditure for next year is Rs. 101.47 lakhs which is almost the same as the Revised Estimate for the current year (Rs. 101.35 lakhs). The total revenue anticipated for the next year is Rs. 104.87 lakhs which is in excess of the Revised Estimate figure of the current year by Rs. 6.23 lakhs.

20. The increase in receipts is very largely due to the increase under Customs of over Rs. 10.00 lakhs as compared to the Revised Estimate of the current year. This is because the mineral oils imported from Burma through the Port of Cochin are hereafter to pay customs duty. There are also slight increases in Receipts under Land Revenue, Stamps, Registration and Interest varying between five and seven thousand rupees under each.